

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6953

BILL NUMBER: HB 1422

DATE PREPARED: Dec 19, 2000

BILL AMENDED:

SUBJECT: Disciplinary proceedings of the gaming commission.

FISCAL ANALYST: Jim Landers

PHONE NUMBER: 232-9869

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill prohibits the Indiana Gaming Commission from entering into a settlement agreement to dispose of a disciplinary proceeding that requires a licensee or an employee of a licensee to pay money to the Commission or any other entity unless the settlement agreement imposes a civil penalty that is permitted by law and deposited in the State Gaming Account.

Effective Date: July 1, 2001.

Explanation of State Expenditures:

Explanation of State Revenues: The bill potentially could result in additional revenue from civil penalties established under the current Riverboat Gaming laws. Civil penalties that are imposed by the Indiana Gaming Commission on licensees (holders of Riverboat occupational, supplier's, or owner's licenses) who are found to be in violation of the gaming laws are deposited in the State Gaming Fund. Additional penalty revenue would arise if, under current law, the Indiana Gaming Commission is instead entering into settlements requiring licensees who have violated gaming laws to make alternative payments that are not deposited in the State Gaming Fund

Background: Under current law, if a licensee (a holder of a Riverboat occupational, supplier's, or owner's license) or an employee of a licensee violates the Riverboat Gaming laws or engages in a fraudulent act, the Indiana Gaming Commission is permitted to do any combination of the following: (1) suspend, revoke, or restrict the license of the licensee; (2) require the removal of a licensee or an employee of a licensee; (3) impose a civil penalty of not more than \$5,000 against an individual who has been issued an occupational license or a person who has been issued a supplier's license for each violation of the Riverboat Gaming laws; and (4) impose a civil penalty against an owner for each violation of the Riverboat Gaming laws of not more than the greater of \$10,000 or an amount equal to the licensee's daily gross receipts for the day of the violation.

Current law requires that receipts from civil penalties imposed for violations of the Riverboat Gaming laws be deposited in the State Gaming Fund. These funds are available in the Fund for appropriation to the Commission for administration of the Riverboat Gaming laws. In FY 2000, \$439,230 in penalty receipts were deposited in the State Gaming Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: See Explanation of State Revenues, above.

State Agencies Affected: Indiana Gaming Commission.

Local Agencies Affected:

Information Sources: Indiana Handbook of Taxes, Revenues, and Appropriations.